Steven L. Beshear Governor

Leonard K. Peters Secretary Energy and Environment Cabinet



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January 9, 2013

David L. Armstrong Chairman

James W. Gardner Vice Chairman

> Linda Breathitt Commissioner

PARTIES OF RECORD

RE: Informal Conference for Case No. 2012-00486

Enclosed please find a memorandum that has been filed in the record of the above—referenced cases. Any comments regarding the contents of the memorandum should be submitted to the Commission within seven days of receipt of this letter. Any questions regarding this memorandum should be directed to Ron Handziak of the Commission Staff at 502-782-2652.

Jeff Derouen

Executive Director

**Attachments** 



## INTRA-AGENCY MEMORANDUM

## KENTUCKY PUBLIC SERVICE COMMISSION

TO: Main Case File - Case No. 2012-00486

FROM: Ron Handziak, Team Leader

**DATE:** January 9, 2013

RE: Informal Conference of January 3, 2013

Pursuant to the Commission's November 16, 2012 Order, on January 3, 2013, representatives of East Kentucky Power Cooperative, Inc. ("EKPC"), Farmers Rural Electric Cooperative Corporation ("Farmers"), Owen Electric Cooperative, Inc. (Owen") and Commission Staff ("Staff") met at the Commission's offices to discuss EKPC's testimony and responses to the first round of data requests in the current examination of the company's environmental surcharge mechanism. A list of attendees is attached to this memorandum.

Staff asked clarifying questions related to information included in testimony and the first data request. The topics discussed were related to the member distribution cooperative pass-through mechanism, operations and maintenance expenses, roll-in to base rates of environmental costs, impact that joining PJM will have on the environmental surcharge, and accounting changes made by Farmers and Owen.

Owen indicated an interest in extending beyond the current six-month time frame the length of time member cooperatives have to refund or collect the over/under recovery of environmental surcharge amounts. EKPC suggested each of the member cooperatives be given an opportunity to respond on its own behalf regarding any change to the current six-month time frame.

There being no other questions, the meeting was adjourned.

cc: Parties of Record

## COMMONWEALTH OF KENTUCKY

## BEFORE THE PUBLIC SERVICE COMMISSION

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AN EXAMINATION BY THE PUBLIC SERVICE	)	
COMMISSION OF THE ENVIRONMENTAL	)	
SURCHARGE MECHANISM OF EAST	)	
KENTUCKY POWER COOPERATIVE, INC. FOR	)	
THE TWO-YEAR BILLING PERIOD ENDING	)	CASE NO.
JUNE 30, 2011, FOR THE SIX-MONTH BILLING	)	2012-00486
PERIODS ENDING DECEMBER 31, 2011 AND	)	
JUNE 30, 2012, AND THE PASS THROUGH	)	
MECHANISM FOR ITS SIXTEEN MEMBER	)	
DISTRIBUTION COOPERATIVES	)	

January 3, 2013

Please sign in:

NAME	REPRESENTING
Scoth B Brurel	PSC-deval
Rebecca Witt	Owen Electric Cooperate
Marek Stallons	<u> </u>
Jim GAM	
WILLIAM T. PRATHER	FARMERS RURAL ELECTRIC
Dance S. Sued	East Kenducky Dome
David Samford	Goss Samford, PLLC - EKPC
ANN WOOD	EKPC
FRANK OLIVA	EKPC
Agnor Ann Cole	PSC-lega?
Ron Handrick	PSC-1-4